

EXHIBIT D

**UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA**

STEPHEN M. FRIEDBERG,

Plaintiff,

v.

MUTUAL HOLDINGS LTD, et al.,

Defendants.

CIVIL ACTION

**No. 02-CV-3193
(Judge Yohn)**

PRIVILEGE LOG

Item No.	Date	Description	Privilege Assertion
	07/05/01	Email from Andy Lewis to Pat Rega regarding documents (Friedberg000098)	Work Product – Redacted (handwritten notations)
	09/20/01	Email from Dale Gawley to Steve Friedberg (Friedberg000100)	Attorney/Client Privilege – Redacted (forwarding email)
	04/10/02	Email from Roger Bone to Patrick Rega re: Mutual Cessation Critiques	Attorney/Client Privilege
	04/30/02	Letter from Patrick Rega to Ian Kawaley (with attachments)	Attorney/Client Privilege Work Product Privilege
	09/08/02	Email from Andy Lewis to Steve Friedberg re: MRM (Friedberg000130 – 131)	Attorney/Client Privilege and Non-Responsive – Redacted (forwarding and attached emails)
	04/02/03	Email from Roger Bone to Steve Friedberg, Patrick Rega and Ian Kawaley re: Financial Statements	Attorney/Client Privilege Work Product Privilege
	06/25/03	Fax from Kawaley to Friedberg	Attorney/Client Privilege
	06/25/03	Email from D. Pickering to A. Lewis re: buyout (Friedberg000160)	Attorney/Client Privilege – Redacted (forwarding email)
	07/07/03	Email from R. Bone to Andy Lewis re: Comp Advantage Loss Information (Friedberg000190)	Attorney/Client Privilege – Redacted (forwarding email)
	12/09/04	Email from Patrick Rega to Andy	Work Product

Item No.	Date	Description	Privilege Assertion
		Lewis re: questions w/ attachment.	
	12/09/04	Email from Andy Lewis to Patrick Rega re: questions w/ attachment.	Work Product
	01/07/05	Email from Roger Bone re: current billing (Friedberg000101)	Attorney/Client Privilege - Redacted (forwarding email)
	01/07/05	Email from Roger Bone re: Consulting Services Payment (Friedberg000105) - -	Attorney/Client Privilege - Redacted (forwarding email)
	04/21/05	Email from Roger Bone to Steve Friedberg, Delroy Duncan and Patrick Rega	Attorney/Client Privilege
	05/02/05	Email from Andy Lewis to Roger Bone and Steve Friedberg (Friedberg000203)	Non-Responsive - Redacted
	06/07/05	Email from Christy Ireland to Andrew Lewis re: Liquidator vs. Research Underwriters	Non-Responsive
	06/07/05	Email from Christy Ireland to Andrew Lewis re: review of Legion claims	Non-Responsive
	07/05/05	Chart calculating account totals	Work Product
	07/15/05	Email from Wendy Smith to Andrew Lewis, Patrick Rega and Han Nguyen with attachment re: affidavit	Work Product
	07/15/05	Email from Andy Lewis to Wendy Smith, Patrick Rega and Han Nguyen with attachment re: affidavit	Work Product
	07/18/05	Email from Andy Lewis to Wendy Smith, Patrick Rega and Han Nguyen with attachment re: affidavit	Work Product
	07/20/05	Email from Andy Lewis to Wendy Smith, Patrick Rega and Han Nguyen with attachment re: affidavit	Work Product
	07/29/05	Email from Andy Lewis to Wendy Smith and Han Nguyen with attachment re: affidavit	Work Product
	08/10/05	Email from Andy Lewis to Wendy Smith and Han Nguyen with attachment re: affidavit	Work Product
	08/01/05	Email from Roger Bone to Han Nguyen with attached emails between Roger Bone, Steve Friedberg, Ian Kawaley and Patrick Reardon	Attorney/Client Privilege

Item No.	Date	Description	Privilege Assertion
	08/02/05	Email from Roger Bone to Han Nguyen and forwarding email (Friedberg000106)	Attorney/Client Privilege – Redacted
	08/02/05	Email from Roger Bone to Han Nguyen and forwarding email (Friedberg000110)	Attorney/Client Privilege – Redacted
	08/02/05	Email from Roger Bone to Han Nguyen and forwarding email (Friedberg000115)	Attorney/Client Privilege – Redacted
	08/02/05	Email from Roger Bone to Han Nguyen and forwarding email (Friedberg000134)	Attorney/Client Privilege – Redacted
	08/02/05	Email from Roger Bone to Han Nguyen and forwarding email (Friedberg000183)	Attorney/Client Privilege – Redacted
	08/02/05	Email from Roger Bone to Han Nguyen and forwarding email (Friedberg000189)	Attorney/Client Privilege – Redacted
	08/02/05	Email from Roger Bone to Han Nguyen and forwarding email (Friedberg000198)	Attorney/Client Privilege – Redacted
	08/02/05	Email from Roger Bone to Han Nguyen and forwarding email (Friedberg000200)	Attorney/Client Privilege – Redacted
	08/05	Witness Statement / Affidavit of Andrew A. Lewis (and drafts)	Work Product Privilege
		Spreadsheet, re: Debit Bordereau Summary, undated	Non-responsive
		Spreadsheet, re: Debit Bordereau Summary, undated.	Non-responsive
		Spreadsheet, re: Uncollected Premium-Detail, undated	Non-responsive
		Spreadsheet, re: Commissions After Rehab - Summary, undated.	Non-responsive
		Spreadsheet, re: Commissions After Rehab - Detail, undated	Non-responsive
		Spreadsheet, re: Total Due From Research Underwriters to Legion Ins. in Liquidation, 3/24/05	Non-responsive

Plaintiff is continuing his review of documents and reserves the right to supplement and/or remove documents from this list.

EXHIBIT E

08-24-2005 4309 BMQ

1

1 ROUGH AND UNEDITED TRANSCRIPT 09:34:34a
2 IN THE UNITED STATES DISTRICT COURT 09:34:34a
3 FOR THE EASTERN DISTRICT OF PENNSYLVANIA 09:34:34a
4 - - - 09:34:34a
5
6 STEPHEN M. FRIEDBERG, 09:34:34a
7 Plaintiff 09:34:34a
8 v NO. 02-CV-3193 09:34:34a
9 MUTUAL HOLDINGS, LTD., et al., 09:34:34a
10 Defendants 09:34:34a
11
12 Oral deposition of ANDREW A. LEWIS, 09:34:34a
13 taken at the law offices of BALLARD SPAHR ANDREWS & 09:34:34a
14 INGERSOLL, L.L.P., 1735 Market Street, 51st Floor, 09:34:34a
15 Philadelphia, Pennsylvania, on Wednesday, August 24, 09:34:34a
16 2005, commencing at approximately 9:34 a.m., before 09:34:34a
17 Barbara McKeon Quinn, a Registered Merit Reporter, 09:34:34a
18 pursuant to notice. 09:34:34a

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2 APPEARANCES: 09:34:34a
3 WENDY E.D. SMITH, ESQUIRE 09:34:34a
4 wsmith@hrs1aw.com 09:34:34a
5 and 09:34:34a
6 PATRICK J. REGA, ESQUIRE 09:34:34a
7 prega@hrs1aw.com 09:34:34a
8 HERGENROEDER REGA AND SOMMER, L.L.C. 09:34:34a

08-24-2005 4309 BMQ

6	Centre City Tower, Suite 1700	09:34:34a
	650 Smithfield Street	09:34:34a
7	Pittsburgh, Pennsylvania 15222	09:34:34a
	412-208-3295	09:34:34a
8	Counsel for Plaintiff	09:34:34a
9	DOUGLAS Y. CHRISTIAN, ESQUIRE	09:34:34a
	christiand@ballardspahr.com	09:34:34a
10	and	09:34:34a
	BROOKE J. HERTZER, ESQUIRE	09:34:34a
11	hertzerb@ballardspahr.com	09:34:34a
	BALLARD SPAHR ANDREWS & INGERSOLL, LLP	09:34:34a
12	1735 Market Street	09:34:34a
	51st Floor	09:34:34a
13	Philadelphia, Pennsylvania 19103	09:34:34a
	215-665-8500	09:34:34a
14	Counsel for Defendants	09:34:34a

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□		3
1	ANDREW A. LEWIS, having been duly sworn,	09:34:34a
2	was examined and testified as follows:	09:34:34a
3	THE COURT REPORTER: Usual stipulations?	09:34:37a
4	MR. CHRISTIAN: Regular stipulations as	09:34:37a
5	far as I'm concerned. I would assume -- Mr. Lewis,	09:34:38a
6	are you represented at this deposition?	09:34:41a
7	THE WITNESS: No.	09:34:43a
8	BY MR. CHRISTIAN:	09:34:44a
9	Q. You have the right to read the transcript that	09:34:44a
10	will be prepared at your deposition and to make any	09:34:51a
11	corrections on an errata sheet. You can avail	09:34:54a
12	yourself of that right or you can decide not to read	09:34:59a

08-24-2005 4309 BMQ

8	Q.	Mr. Lewis, you've had a chance to carefully	10:02:25a
9		read again Exhibit A to the subpoena just now;	10:02:28a
10		correct?	10:02:31a
11	A.	Yes.	10:02:31a
12	Q.	And you've done that; correct?	10:02:32a
13	A.	Yes.	10:02:34a
14	Q.	Other than the documents you've just	10:02:34a
15		identified, do you possess any documents responsive to	10:02:48a
16		the subpoena you have not produced?	10:02:55a
17	A.	I do not believe so.	10:02:59a
18	Q.	Did anyone review the documents before they	10:03:00a
19		were produced?	10:03:12a
20	A.	There was review by an associate of Han who I	10:03:12a
21		did not meet and do not remember her name. It was out	10:03:26a
22		of the office and then there was a review by	10:03:34a
23		Mr. Rega's firm.	10:03:39a
24	Q.	What was the purpose of those reviews as you	10:03:45a
19			19
1		understood it?	10:03:56a
2	A.	They wanted to see the scope of my information.	10:03:57a
3	Q.	Before the documents were produced to us?	10:04:09a
4		Correct?	10:04:11a
5	A.	Yes. Yes.	10:04:12a
6	Q.	And you left them do that?	10:04:13a
7	A.	Yes.	10:04:14a
8	Q.		10:04:15a
9	A.	I extended the same invitation to Mutual	10:04:20a
10		Indemnity. That I would help them in any way that I	10:04:22a
11		could.	10:04:29a
12	Q.	Sir, did you tell M I or any of its counsel	10:04:29a
13		that you were letting Mr. Friedberg's counsel review	10:04:31a

08-24-2005 4309 BMQ

14	the documents before they were produced?	10:04:36a
15	A. I did not.	10:04:38a
16	Q. Did you offer for us to review the documents	10:04:39a
17	before they were produced?	10:04:43a
18	A. I offered to Mr. Pickering, Mr. Alexander, and	10:04:44a
19	Mr. Rega on numerous times to help out any way that I	10:04:51a
20	could.	10:04:56a
21	Q. Hearings my question though. With once you got	10:04:56a
22	the subpoena, and you obtained documents you thought	10:04:59a
23	were responsive to the subpoena, did you make an offer	10:05:06a
24	to us for us to review these before they were	10:05:09a
□		20
1	produced?	10:05:12a
2	A. I did not.	10:05:13a
3	Q.	10:05:14a
4	A. You were on vacation.	10:05:14a
5	Q. Was Ms. Hertzner on vacation?	10:05:18a
6	A. I don't know her schedule.	10:05:21a
7	Q. All right. Let's talk about the chronology of	10:05:22a
8	your involvement with this subpoena. You've already	10:05:31a
9	testified you accepted service of the subpoena. Did	10:05:35a
10	you have conversations with anyone about the subpoena	10:05:40a
11	before you started to obtain documents?	10:05:44a
12	A. The subpoena was served on July 22nd, 2005.	10:05:51a
13	Discussions on this case have been going on since	10:06:06a
14	2002.	10:06:09a
15	Q. Mr. Lewis?	10:06:10a
16	A. So the answer to your question.	10:06:11a
17	Q. Mr. Lewis. Excuse me.	10:06:12a
18	A. I'm not finished my answer.	10:06:14a
19	Q. You are not responding to my question.	10:06:15a

08-24-2005 4309 BMQ

16 testimony? 10:30:54a
17 A. That's the best of my recollection, yes. 10:30:54a
18 Q. So once you you had gathered the documents you 10:30:57a
19 pit them in a box and you called Mr. Friedberg's 10:31:06a
20 lawyers to tell them you had done so. Is that what 10:31:11a
21 you said? 10:31:14a
22 A. That's what I said. 10:31:14a
23 Q. Why did you call Mr. Friedberg's lawyers strike 10:31:18a
24 that. You did not get the subpoena from 10:31:24a

□ 36
1 Mr. Friedberg, did you? 10:31:26a
2 A. No. 10:31:27a
3 Q. Why did you call Mr. Friedberg's lawyers and 10:31:29a
4 tell them that you had the documents ready? 10:31:32a
5 A. Out of courtesy. I believe I also called 10:31:35a
6 Brooke to tell her the documents were ready. I 10:31:45a
7 believe I called Brooke after I called Mr. Friedberg's 10:31:48a
8 attorneys. 10:31:51a
9 Q. On the same day? 10:31:52a
10 A. Don't remember. 10:31:53a
11 Q. Well, after you called Mr. Friedberg's lawyers, 10:31:58a
12 they took possession of the documents; correct? 10:32:07a
13 A. No. I don't believe that happened. 10:32:10a
14 Q. Did they come out and review the documents? 10:32:12a
15 A. They did. 10:32:14a
16 Q. Okay. So you called them and said you had done 10:32:15a
17 your search, you had a box of documents. How did it 10:32:24a
18 happen that they came out and looked at them? Did you 10:32:27a
19 invite them to do that? 10:32:29a
20 A. I believe they suggested it and I said that's 10:32:33a
21 fine. 10:32:39a

08-24-2005 4309 BMQ

22 Q. Did you tell Ms. Hertzner or did you tell me 10:32:40a
23 that they were going to preview these documents before 10:32:43a
24 they were produced? 10:32:45a

□ 37

1 A. Did not. 10:32:46a
2 Q. Did you think about it? 10:32:47a
3 A. Did not. 10:32:49a
4 Q. You didn't call Ms. Hertzner about the documents 10:32:50a
5 until after the lawyers had looked at them; is that 10:33:03a
6 correct? 10:33:06a
7 A. I don't remember the chronology. 10:33:06a
8 Q. How many hours or days after you contacted 10:33:08a
9 Mr. Friedberg's lawyers did they come look at the 10:33:15a
10 documents? 10:33:18a
11 A. Was it the same day? 10:33:18a
12 A. I don't believe so. 10:33:23a
13 Q. Do you know when it was, how many days after 10:33:28a
14 your conversation that it was when they came out and 10:33:32a
15 looked at the documents? 10:33:37a
16 A. I believe it was the next day. I'm not 10:33:38a
17 certain, though. 10:33:44a
18 Q. And who came out to look at the documents? 10:33:44a
19 A. I don't know. It was one of the employees of I 10:33:47a
20 believe Schnader. I was not physically there. 10:33:53a
21 Q. What's your understanding as to what happened? 10:33:58a
22 A. The box was left in a chair. The attorney came 10:34:00a
23 in. Someone from my office put the box in a 10:34:11a
24 conference room. They looked at it and left. 10:34:16a

□ 38

1 Q. Did they tab any or did they indicate they 10:34:19a

08-24-2005 4309 BMQ

2 wanted any copies, to your knowledge? 10:34:24a

3 A. There were no copies made to my knowledge. I 10:34:27a

4 wasn't there, so I don't know what else they did. 10:34:38a

5 Q. What did you hear? Did you hear anything about 10:34:41a

6 what they did? 10:34:43a

7 A. From my coworkers? 10:34:44a

8 Q. From anybody. 10:34:46a

9 A. No. 10:34:47a

10 Q. What was the next conversation you had with 10:34:47a

11 anybody about the subpoena or the documents being 10:34:55a

12 produced pursuant to the subpoena after that person 10:34:57a

13 reviewed the documents and left? 10:35:08a

14 A. The documents were in a box and I would have 10:35:10a

15 received -- I did receive a phone call from -- I'm not 10:35:24a

16 sure if it was Mr. Rega or Ms. Smith about the 10:35:30a

17 documents and they said that certain documents were 10:35:38a

18 not relevant, those were the accounting documents that 10:35:43a

19 I alluded to. 10:35:48a

20 Q. Are those the only documents they mentioned in 10:35:50a

21 that call? 10:35:52a

22 A. And then there was a document from December of 10:35:53a

23 2004 with an e-mail covering to Mr. Rega and I cannot 10:36:02a

24 remember if it was a back and forth or two independent 10:36:16a

□ 39

1 ones, but it was one document. 10:36:22a

2 Q. So accounting documents and these December '04 10:36:27a

3 e-mails were documents. Were they the only two types 10:36:32a

4 of documents mentioned in this phone call that weren't 10:36:37a

5 relevant? 10:36:43a

6 MS. SMITH: Objection. Mischaracterizes 10:36:46a

7 his testimony. He indicated that the first section -- 10:36:47a

08-24-2005 4309 BMQ

8 MR. CHRISTIAN: I don't need a speaking 10:36:50a
9 objection. I'll rephrase the question. 10:36:51a
10 MS. SMITH: Thank you. 10:36:52a
11 BY MR. CHRISTIAN: 10:36:53a
12 Q. In the conversation with someone from 10:36:53a
13 Mr. Rega's firm, whoever it was indicated that certain 10:37:00a
14 documents in the box were not relevant. Am I right so 10:37:09a
15 far? 10:37:13a
16 A. Relevant, sure. 10:37:15a
17 Q. I mean that's what you said. Which documents 10:37:21a
18 in this conversation did they indicate were not 10:37:24a
19 relevant? You've said the accounting documents; 10:37:27a
20 correct? 10:37:30a
21 A. There were accounting documents on the -- with 10:37:30a
22 Legion Insurance Company and the two December of 2004 10:37:40a
23 e-mail cover notes with the same document behind 10:37:53a
24 them. I do not believe there were any other 10:37:57a

□ 40
1 documents. 10:37:59a
2 Q. But that you don't believe you were advised 10:38:01a
3 that any other documents were irrelevant in that 10:38:05a
4 conversation. Is that what you meant? 10:38:08a
5 A. Yes. 10:38:10a
6 Q. What did you say in response to that? 10:38:10a
7 A. Okay. 10:38:17a
8 Q. Okay, what? Did they want you to take them out 10:38:19a
9 of the box? 10:38:22a
10 A. They said those were not relevant, take them 10:38:24a
11 out of the box. I said okay. 10:38:27a
12 Q. Did you have any other discussion during that 10:38:32a
13 conversation about the subpoena or the documents to be 10:38:37a

08-24-2005 4309 BMQ

16 A. You had. 11:49:54a
17 Q. You got an e-mail from Mr. Rega on the ninth 11:49:55a
18 with the attachment and same day after revising it you 11:50:00a
19 sent it back to him; is that correct? 11:50:04a
20 A. I don't know. Potentially. 11:50:06a
21 Q. So you don't remember what it was called? You 11:50:16a
22 don't remember how many pages it was? You don't 11:50:18a
23 remember any of the questions other than what you've 11:50:21a
24 told us about already; is that correct? 11:50:24a

□ 78

1 A. Yes. 11:50:25a
2 Q. Do you recall anything else about the 11:50:31a
3 conversation you had with Mr. Rega that you testified 11:50:39a
4 about just a little while ago, other than what you've 11:50:43a
5 told us about already? 11:50:46a
6 A. The meeting? 11:50:48a
7 Q. Yes. The day long meeting. 11:50:48a
8 A. Just that he was commenting how complicated, 11:50:50a
9 convoluted Mutual Risk Management was, how he was -- 11:51:00a
10 he commented just that these structures were a true 11:51:10a
11 win for all parties involved, meaning the insurance 11:51:18a
12 companies made out, the reinsurance companies made 11:51:21a
13 out, the agents and the brokers made out, and the 11:51:24a
14 shareholders made out, and how unique that was in the 11:51:28a
15 business world that everybody makes out. 11:51:33a
16 Q. And included in those entities was 11:51:39a
17 Mr. Friedberg's company; correct? 11:51:41a
18 A. Yes. 11:51:47a
19 Q. Do you remember anything else about that day 11:51:47a
20 long meeting? 11:51:53a
21 A. Just discussions on my opinion on the current 11:51:54a

08-24-2005 4309 BMQ

5 A. They have said numerous times that they would 02:04:31p
6 like me to testify and tell everything to the best of 02:04:39p
7 my knowledge, and tell the truth, and that would be 02:04:42p
8 it. 02:04:48p
9 Q. But they haven't given you any indication at 02:04:48p
10 all as to even the general areas of your expected 02:04:50p
11 testimony; is that correct? 02:04:55p
12 A. I don't believe they have. 02:04:57p
13 Q. So as you sit here today, you have no idea what 02:05:09p
14 they want you to testify about at the hearing. Is 02:05:13p
15 that fair? 02:05:15p
16 A. Did not say that. I have a fairly good idea of 02:05:16p
17 what they want me to testify about. 02:05:20p
18 Q. Well, what do you think they want you to 02:05:22p
19 testify about? 02:05:24p
20 A. My understanding of the Mutual Indemnity 02:05:25p
21 programs, my role at MRM. 02:05:32p
22 Q. Anything else? 02:05:45p
23 A. That's pretty broad. 02:05:48p
24 Q. Yeah, it is. Anything else? 02:05:51p
□ 113
1 A. No. 02:05:54p
2 Q. What's the basis of your understanding as to 02:05:55p
3 what they want you to testify about if they haven't 02:05:58p
4 told you? 02:06:01p
5 A. I guess it was my assumption, based upon 02:06:02p
6 several years of hearing this, these discussions, and 02:06:14p
7 so I guess from your discussion with me, when you came 02:06:27p
8 out to my office. 02:06:30p
9 Q. Mr. Friedberg has asked you to be available for 02:06:33p
10 testimony on the 12th, correct or his lawyers have? 02:06:37p

08-24-2005 4309 BMQ

11	A.	His lawyers, yes.	02:06:40p
12	Q.	Getting back real quickly to the question and	02:06:41p
13		answer document that you testified about before we	02:06:54p
14		took the lunch break, did that -- was that ever	02:06:57p
15		revised into an affidavit, to your knowledge?	02:07:00p
16	A.	was that --	02:07:03p
17	Q.	Have you signed an affidavit in this case?	02:07:10p
18	A.	I have signed an affidavit.	02:07:12p
19	Q.	Do you have a copy of the affidavit?	02:07:14p
20	A.	I have a copy of the affidavit.	02:07:16p
21	Q.	Signed affidavit?	02:07:18p
22	A.	Yes.	02:07:19p
23	Q.	What did you do with the signed affidavit? Did	02:07:19p
24		you send it to one of Mr. Friedberg's lawyers or give	02:07:23p
			114
1		it to one of Mr. Friedberg's lawyers?	02:07:27p
2	A.	It's was given to Han.	02:07:29p
3	Q.	Did you give it to Han?	02:07:32p
4	A.	I did.	02:07:33p
5	Q.	For what purpose did you give it to Han?	02:07:34p
6	A.	It needed to be notarized and he said that he	02:07:37p
7		had a notary in his office. I walked it into his	02:07:46p
8		office. No, I didn't walk it into his office. It was	02:07:50p
9		in his office. They produced the final copy. Han's	02:07:58p
10		firm did. And it was -- I executed it and it was note	02:08:01p
11		righted in my presence at his office and I got a copy	02:08:07p
12		and the original was left with Han.	02:08:09p
13	Q.	When was strike that. When did you execute the	02:08:13p
14		affidavit?	02:08:16p
15	A.	I don't remember the exact date. I believe it	02:08:17p
16		was Thursday of last week. I don't recall what date	02:08:34p

08-24-2005 4309 BMQ

2 were made by Mr. Friedberg's counsel with regard to 02:19:15p
3 whether it would be presented; is that correct? 02:19:19p
4 A. To whom? 02:19:21p
5 Q. To you. 02:19:22p
6 A. Yes. But I can't recall if they specifically 02:19:24p
7 said that it would be handed to the judge. That was 02:19:29p
8 my understanding and assumption, but as you asked the 02:19:36p
9 question, I'm not sure they actually said that. They 02:19:39p
10 may have. 02:19:42p
11 Q. well, we've asked for it and they're not giving 02:19:48p
12 it to us. So I need to ask you, if you can't tell me 02:19:58p
13 just say you can't tell me, tell me what was in the 02:20:04p
14 affidavit. 02:20:07p
15 A. It was -- started with my name. 02:20:14p
16 Q. That's a good start. 02:20:18p
17 A. I had been employed by Mutual Risk Management 02:20:20p
18 from 1989 until 2001. Talked about my job description. 02:20:28p
19 Q. I want you to tell me with as much specificity 02:20:36p
20 as can you what this affidavit said. 02:20:39p
21 A. Just that was -- 02:20:41p
22 Q. Mr. Lewis, I know you're struggling with this. 02:20:47p
23 I am as well. But we're not getting this affidavit 02:20:50p
24 from these guys. So the only way for me to get this 02:20:53p

123
1 information is for me to ask you, and I'm going to ask 02:20:58p
2 you to tell me what was in the affidavit with as much 02:21:02p
3 specificity as you can. That's my question. 02:21:05p
4 A. That's fine. And my smile was after my first 02:21:08p
5 sentence I was going to recite my address, but was -- 02:21:10p
6 I withheld. I talked about my employment at MRM and 02:21:15p
7 my job at -- excuse me -- my original employment I 02:21:22p

08-24-2005 4309 BMQ

8	think with Legion, and then it was with Commonwealth	02:21:26p
9	Risk. My duty as a salesman. My kind of	02:21:28p
10	understanding of -- I'm trying to remember at that	02:21:37p
11	point --	02:21:46p
12	Q. If you can't remember, just tell me. I don't	02:21:47p
13	want you to guess.	02:21:49p
14	A. I would be guessing. I cannot give specifics.	02:21:50p
15	Can I talk -- do you want general?	02:21:53p
16	Q. Yes, please. You can tell me the topics if you	02:21:55p
17	can't remember what was specifically said about each	02:21:59p
18	topic. You can just identify the topics to the extent	02:22:01p
19	you remember them.	02:22:05p
20	A. It talked about the E-11, E-14 and U-21	02:22:08p
21	programs, the opening of the Legg Mason accounts, the	02:22:19p
22	Prudential accounts, and then the Morgan Stanley	02:22:31p
23	accounts. I guess the --	02:22:46p
24	Q. I don't want you to guess.	02:23:10p
□		124
1	A. Then I'm done.	02:23:11p
2	Q. Okay. To the best of your knowledge, as you	02:23:15p
3	sit here today, you've identified the general areas	02:23:18p
4	referenced in your affidavit; is that correct?	02:23:23p
5	A. Yes.	02:23:25p
6	Q. Do you remember as you sit here today -- strike	02:23:26p
7	that. Was there any reference in the affidavit to	02:23:32p
8	dividends?	02:23:34p
9	A. Yes.	02:23:37p
10	Q. Let's mark as Exhibit 37 an e-mail that you	02:23:38p
11	sent to Steve Friedberg.	02:23:48p
12	(Exhibit Exhibit 37 was marked for	02:23:51p
13	identification.)	02:23:51p

08-24-2005 4309 BMQ

14	BY MR. CHRISTIAN:	02:24:03p
15	Q. would you read that to yourself, please, and	02:24:17p
16	tell me when you are ready to be questioned about it.	02:24:19p
17	A. Okay.	02:24:33p
18	Q. That's an e-mail from you to Steve Friedberg	02:24:33p
19	dated December 8, 2002; is that correct?	02:24:37p
20	A. Yes.	02:24:39p
21	Q. When was the last time you looked at that	02:24:39p
22	e-mail?	02:24:43p
23	A. Probably the day I sent it.	02:24:43p
24	Q. Do you have any idea what was redacted -- do	02:24:48p
□		125
1	you know what the word redacted means?	02:24:54p
2	A. Actually I don't.	02:24:57p
3	Q. It means removed. So there was print on this	02:24:58p
4	page that was removed, and that's what redacted	02:25:01p
5	means. Do you know why the items before and after	02:25:03p
6	this e-mail were redacted?	02:25:07p
7	A. No, I don't.	02:25:13p
8	Q. Were you responding in this e-mail to an	02:25:14p
9	inquiry or statement Mr. Friedberg had made?	02:25:18p
10	A. I don't have any recollection of writing this.	02:25:24p
11	So I don't know.	02:25:31p
12	Q. You did write this e-mail, did you not?	02:25:31p
13	A. It would suggest that I did.	02:25:33p
14	Q. It's from your e-mail address at Keystone Risk;	02:25:38p
15	is that right?	02:25:42p
16	A. Yes.	02:25:42p
17	Q. It's got your name on it, right?	02:25:43p
18	A. Yes.	02:25:46p
19	Q. Is it accurate? Is the e-mail accurate, not	02:25:47p

08-24-2005 4309 BMQ

20 your name? 02:25:57p

21 A. Thank you. I am -- I believe it's accurate. 02:25:57p

22 Q. Now, in this e-mail you are telling Steve 02:26:05p

23 Friedberg that the moneys in the Morgan Stanley 02:26:11p

24 account were something other than a dividend. would 02:26:15p

□ 126

1 you agree with that characterization? 02:26:18p

2 A. Yes. 02:26:25p

3 Q. Now, tell me what you said in the affidavit, if 02:26:27p

4 you remember, about the concept of dividends. 02:26:31p

5 A. The kind of general comment was that dividends 02:26:36p

6 were used interchangeably -- the term dividends were 02:26:53p

7 used interchangeably with excess funds, redundant 02:27:00p

8 funds, unnecessary collateral, excess collateral, and 02:27:06p

9 that from my perspective after long hard thought I 02:27:13p

10 couldn't come up with an actual scenario where I saw a 02:27:22p

11 dividend being present. Since there was no formal 02:27:26p

12 committees or processes, that we've generally relied 02:27:33p

13 on the collateral review, which was an internal MRM 02:27:37p

14 accounting and the collateral review determined the 02:27:48p

15 excess funds to be released. Did I answer you? 02:27:48p

16 Q. What is collateral review? 02:27:55p

17 A. Collateral review is a spreadsheet showing the 02:27:58p

18 funds in Mutual Indemnity outlining the claims that 02:28:06p

19 had been paid, the loss reserves that were posted, and 02:28:16p

20 the incurred but not reported development factors. 02:28:24p

21 The assets were then compared to the liabilities, 02:28:32p

22 which those three components were, and that determined 02:28:35p

23 where the program stood and then that figure was 02:28:39p

24 compared to the aggregate liability to determine, 02:28:45p

□ 127

08-24-2005 4309 BMQ

1 making a move and he was hopeful that not only my 03:05:43p
2 funds but the Mutual Indemnity funds and the Friedberg 03:05:48p
3 funds would move with him. And there was paperwork 03:05:52p
4 that had to get down to Bermuda to effect the 03:05:57p
5 transfer. 03:06:01p
6 Q. You had nothing to do with the preparation of 03:06:02p
7 that paperwork, did you? I'm not talking about for 03:06:03p
8 your funds. 03:06:06p
9 A. I don't believe I did. I think the paperwork 03:06:10p
10 was remitted directly from Prudential to Mutual 03:06:15p
11 Indemnity. 03:06:18p
12 Q. Did you have any other role in the transfer of 03:06:20p
13 these accounts at issue to Dean Witter/Morgan Stanley? 03:06:22p
14 A. Other than what was previously discussed, no. 03:06:29p
15 Q. I take it strike that. Was the transfer to 03:06:38p
16 Dean Witter after you left CRS? 03:06:46p
17 A. I don't believe so. 03:07:00p
18 Q. Someone at Mutual had to approve the transfer 03:07:01p
19 obviously; is that correct? 03:07:04p
20 A. Uh-huh. Yes. 03:07:06p
21 Q. Do you know who did? 03:07:07p
22 A. I don't know. It would have been one of the 03:07:09p
23 signatories I would have to imagine. 03:07:14p
24 Q. Okay we're going to get back to the affidavit 03:07:33p

□ 149
1 in a minute. Now let's do that right now. 03:07:36p
2 we took a long detour from the 03:07:38p
3 affidavit to talk about dividends and collateral 03:07:41p
4 reviews and whatever else we talked about. 03:07:43p
5 A. You asked a question about the accountant. I 03:07:46p
6 said Chuck. I believe his name was Clarke. 03:07:49p

08-24-2005 4309 BMQ

7 Q. First name or last name? 03:07:52p
8 A. Last name. I believe. 03:07:53p
9 Q. Pittsburgh based? 03:07:56p
10 A. Western PA somewhere. 03:07:57p
11 Q. Was he a tax lawyer in addition to being an 03:08:02p
12 accountant? Do you know? 03:08:05p
13 A. Don't know. Sorry for the interruption. 03:08:07p
14 Q. No. That's okay. 03:08:11p
15 Back to the affidavit. When you were 03:08:13p
16 describing what was in the affidavit you said 03:08:18p
17 something to the effect that you never saw a 03:08:20p
18 dividend. Do you remember that testimony generally? 03:08:21p
19 A. I can't remember in the affidavit. My comment 03:08:31p
20 was to the best of my recollection I don't remember 03:08:35p
21 seeing a formal dividend. Dividends were talked 03:08:38p
22 about, we put them in our literature, put them in the 03:08:42p
23 annual reports. But the actual process of a dividend 03:08:45p
24 or handing over a dividend, I have no recollection of 03:08:52p

□ 150
1 seeing. Distribution of excess funds, constantly. 03:08:54p
2 Q. After a collateral review and approval; 03:08:59p
3 correct? 03:09:02p
4 A. Yes. 03:09:08p
5 Q. Was there anything else in the affidavit about 03:09:08p
6 the concept of dividends? 03:09:10p
7 A. Yes. The process and kind of name for property 03:09:12p
8 says of dividends and/or releases at MRM was 03:09:23p
9 internally referred to as dividends on demand. That 03:09:28p
10 when customers did I manned or requested a dividends, 03:09:33p
11 their request was entertained. 03:09:40p
12 Q. Not always acted on favorably, though; correct? 03:09:41p

08-24-2005 4309 BMQ

13 A. No. 03:09:44p
14 Q. What I'm saying is correct? 03:09:45p
15 A. Excuse me. You are correct. 03:09:47p
16 Q. So if someone demanded a dividend, that demand 03:09:48p
17 would be addressed; correct? Either thumbs up or 03:09:55p
18 thumbs down? 03:10:00p
19 A. Yes. 03:10:01p
20 Q. Do you remember anything else in the affidavit 03:10:02p
21 about the dividend, concept of a dividend? 03:10:07p
22 A. No, I do not. 03:10:17p
23 Q. Was there anything in the affidavit about who 03:10:18p
24 the money in these accounts belonged to or belongs to? 03:10:20p

□ 151
1 A. I'm trying to remember the exact phrase. I 03:10:25p
2 believe I said something to the extent that they were 03:10:46p
3 excess funds of Mr. Friedberg's held in an account at 03:10:52p
4 either Prudential, Legg Mason or Morgan Stanley. 03:11:03p
5 Q. It will be so much easier if we had the 03:11:09p
6 affidavit. 03:11:13p
7 A. I appreciate that. 03:11:14p
8 Q. But I can't get it yet. Does the affidavit 03:11:15p
9 indicate anywhere how it might be used? Do you say I 03:11:27p
10 submit this affidavit for a certain purpose or for use 03:11:35p
11 in a certain way, anything along those lines? 03:11:39p
12 A. Don't believe so. 03:11:44p
13 Q. Did anyone tell you why it had to be 03:11:46p
14 notarized? 03:11:51p
15 A. I'm trying to remember. I don't believe so. 03:12:13p
16 There was a notary seal and I said this needs to be 03:12:15p
17 notarized and yes, it needs to be notarized. So I'm 03:12:19p
18 not sure I inquired or it was offered why it had to be 03:12:21p

08-24-2005 4309 BMQ

19	notarized.	03:12:25p
20	Q. Some affidavits say something to the effect	03:12:25p
21	that the name of the affiant, the name of the person	03:12:27p
22	giving the affidavit states under oath as follows. Is	03:12:33p
23	there any language such as that in this affidavit?	03:12:37p
24	A. I can't remember.	03:12:45p

0		152
1	Q. Did you say anything in the affidavit about the	03:12:47p
2	opening of any of these accounts other than what	03:12:54p
3	you've told us about already today?	03:12:56p
4	A. I believe I said -- I discussed the accounts	03:12:58p
5	opening with Mr. Friedberg and he instructed me to go	03:13:18p
6	back to Mutual Indemnity as I was his liaison or point	03:13:22p
7	person to open them, to get them opened, to have them.	03:13:28p
8	Q. Was there a reference in the affidavit to tax	03:13:36p
9	considerations or tax discussions?	03:13:39p
10	A. Yes. There we routinely discussed -- we being	03:13:44p
11	employees of Mutual Risk Management routinely	03:13:51p
12	discussed tax. I believe but we did not give tax	03:13:54p
13	advice.	03:14:03p
14	Q. Anything else about tax discussions or tax	03:14:04p
15	considerations in the affidavit?	03:14:06p
16	A. Just that the Legg Mason accounts less making	03:14:10p
17	son Prudential Morgan Stanley would offer the same	03:14:17p
18	degree of tax deferral that the current or the present	03:14:21p
19	structure did.	03:14:26p
20	Q. Anything else about tax in the affidavit?	03:14:30p
21	A. I don't believe so.	03:14:33p
22	Q. I'm sorry?	03:14:35p
23	A. I don't believe so. Sorry.	03:14:36p
24	Q. Do you have any problem with us having that	03:14:37p

08-24-2005 4309 BMQ

153

1 affidavit? 03:14:46p

2 A. I don't think so. 03:14:48p

3 Q. Is there anything privileged in the affidavit 03:14:55p

4 that you think should not be provided to us? 03:14:57p

5 MS. SMITH: Objection as to form. 03:15:00p

6 MR. CHRISTIAN: Just with regard to his 03:15:02p

7 thinking. I'm not asking for a legal conclusion. 03:15:03p

8 With regard to whether you have to give it us. 03:15:06p

9 THE WITNESS: I'm not sure I fully 03:15:08p

10 understand. 03:15:09p

11 MS. SMITH: May be confidential. Your 03:15:09p

12 word choice is one that is confusing. 03:15:13p

13 THE WITNESS: I'm sorry. Could you try 03:15:19p

14 to rephrase that simpler, more simply? 03:15:20p

15 MR. CHRISTIAN: Look, I'm having a tough 03:15:24p

16 day. There have already references to my appearance 03:15:25p

17 and now you're saying I'm using poor words? 03:15:27p

18 MS. SMITH: Only said it once. 03:15:30p

19 MR. CHRISTIAN: This is too much? 03:15:31p

20 MS. SMITH: That's a pretty good day if 03:15:32p

21 a lawyer only uses a word once in a deposition that's 03:15:34p

22 -- 03:15:37p

23 THE WITNESS: You're using big words. 03:15:37p

24 Q. Do you have any concerns personally sir about 03:15:39p

154

1 providing that affidavit to us? 03:15:41p

2 A. I don't think so. I'd like to look at it again 03:15:42p

3 and then I will let you know. 03:15:46p

4 Q. And just so the record is clear, you have a 03:15:49p

08-24-2005 4309 BMQ

5 copy of the signed affidavit? 03:15:53p

6 A. And notarized copy, yes. 03:15:57p

7 Q. Is there any reference in the affidavit to 03:15:59p

8 shareholders agreements? 03:16:24p

9 A. I don't remember. 03:16:35p

10 Q. All right. Let's get back to the meeting 03:16:43p

11 yesterday to prepare for the deposition. You said you 03:16:48p

12 looked at two documents, Mutual Holdings articles of 03:16:51p

13 incorporation and a letter from an attorney in New 03:16:58p

14 Mexico. What's the letter from the attorney in New 03:17:02p

15 Mexico? 03:17:05p

16 A. There is a Legion Insurance Company customer 03:17:06p

17 and a Mutual Indemnity customer called Messilla Valley 03:17:10p

18 Transportation, that's M E S S I L L A, that does not 03:17:14p

19 have a dispute with Mutual but has a dispute with 03:17:20p

20 Legion over premium, returned premiums, and the 03:17:23p

21 attorney for the customer called to see if I would 03:17:31p

22 help them out and I said yes, I've had numerous 03:17:33p

23 discussions and he sent me a fax with a trial time 03:17:38p

24 line mentioning court appearances, dockets, other 03:17:44p

0 155

1 words which I wasn't familiar with, and I asked 03:17:51p

2 Ms. Smith can you tell me what this means. So it has 03:17:55p

3 nothing to do with this case. 03:18:01p

4 Q. Now, why did you review the articles of 03:18:04p

5 incorporation in the preparation session yesterday? 03:18:04p

6 A. I was in Bermuda two Saturdays ago and had a 03:18:12p

7 meeting Monday after that Saturday on a customer 03:18:18p

8 completely unrelated to this, who has a rent a captive 03:18:23p

9 completely unrelated to MRM who was requesting 03:18:29p

10 dividends -- actually he was talking about the 03:18:33p

EXHIBIT F

GOLDBERG, GRUENER, GENTILE
HOROH & AVALLI, P.C.

MARK J. GOLDBERG
HARRY J. GRUENER
GARY G. GENTILE
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March 23, 2001

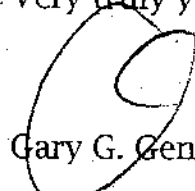
Patrick J. Rega, Esquire
AMATANGELO, BAISLEY & REGA
100 Fourth Street
Donora, PA 15033

RE: OUIMETTE v. OUIMETTE

Dear Pat:

I reviewed the forms, along with the balance sheet. I offer the following comments: I note that the attached account statements still reflect Mr. Lewis's alleged \$1,000,000+ interest (See U21). If he intends to hold back his full amount, contrary to what we discussed on the phone, then we may have a problem. As you will recall, it was our intention to make him participate proportionately in the \$1.8 million claim of Mutual's. I believe his number would be something like 20% even without whatever adjustment Mark and Steve deemed appropriate. I propose distributing payments on an incremental basis to Mr. Lewis as the funds are released, assuming the funds will be released in installments and not in one lump sum. It is my understanding that \$1,000,000 incremental distributions will "stay under the radar" and be less controversial. In such a case, we would segregate portions of Mr. Lewis's "interest" in a separate account and release his share once all funds were repatriated.

Very truly yours,



Gary G. Gentile

GGG/7676/jep